

7-23-1963

Board of Trustees Minutes, July 23, 1963

Eastern Washington State College

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Eastern Washington State College
MINUTES OF BOARD OF TRUSTEES MEETING
Empire Room, Davenport Hotel
Spokane
Tuesday, July 23, 1963

The Board of Trustees met in regular session at seven-thirty, Tuesday, July 23, 1963, in the Empire Room of the Davenport Hotel, Spokane, with the following present: Mr. Harvey Erickson, chairman; Messrs. Voorhees and Joe M. Smith, and Mrs. R. R. Morrison, members; Mr. Fred S. Johns, secretary; Dr. Don S. Patterson, president; Mr. Wm. R. Kidd, representing the Faculty Organization; Mr. M. H. Surbeck, Director of Physical Plant, and Mr. Henry Koslowsky, Director of Public Information.

* * * * *

It was moved by Mr. Voorhees, seconded by Mrs. Morrison, that the minutes, resignations, new appointments, extension of employment, leaves of absence, and travel, be approved. Motion carried.

MINUTES

The minutes for the meeting of June 14, 1963, approved.

RESIGNATIONS

Mrs. Carma Matter, Custodian I, Hargreaves Library, as July 12, plus 15 days accrued leave
Allan M. Posey, Custodian I, Music Building, as of July 5, plus 12.5 days accrued leave
Sandra Scott, Acting Library Order Clerk, as of July 5, plus 15.5 days accrued vacation
Patricia Hardman, Clerk-Typist I, registry office, as of August 16, plus 25 days accrued vacation
Marline Van Wyck, Secretary-Stenographer III, IMC, as of August 16, plus 9 3/4 days accrued vacation

NEW APPOINTMENTS

Summer Quarter

Ruth Burks, social director for the Creative Arts Laboratory, June 16-29, at \$200 for the period
Bernice Lee, for an additional period from July 8-26, to teach second workshop in primary reading, at \$450 for the period
Diane Smith, nursery school assistant, for the seven weeks period at \$200
Drop Clifford Rajala from the summer school staff, and increase the salary of Robert Miller as his replacement from \$700 to \$1200 for the seven weeks, and \$342 for the post session

Student Personnel

Mrs. Florence McKenzie, hall director, Louise Anderson Hall, as replacement for Mrs. Fager, at the monthly rate of \$200 plus apartment, and meals when dining hall is open, for the academic year 1963-64

Civil Service Personnel

Lee Flikke, as groundskeeper, replacement for Mr. Dakin, at \$315 per month as of July 1, 1963
Jenore Balcom, as Secretary-Stenographer II, registry office, as replacement for Mrs. Manson, as of July 1, 1963, at \$315 per month
Nancy Kernen, as Secretary-Stenographer I, office of Director of Personnel, as of July 1, 1963, at \$277 per month (new position)
Jacqueline Nielsen, Secretary-Stenographer I, office of Assistant in Student Personnel, as of July 1, 1963, at \$277 per month (new position)
Barbara VanDerHyde, as Key Punch Operator I, business office, as of July 1, 1963, at \$265 per month (new position)
James Goodwin, as Groundskeeper, as of August 1, 1963, at \$315 per month (new position)
Robert C. Holmes, groundskeeper, as of July 22, 1963, at \$315 per month (new position)
Karen Ransom, Clerk-Typist I, office of Registrar, as of August 19, 1963, at \$254 per month (replacement)
Wilfred Sibley, as Custodial Worker I, as of July 15, 1963, at \$301 per month (replacing Allan Posey)
Robert J. Starry, Tabulating Equipment Supervisor, as of July 24, 1963, at \$390 per month (new position)

Administrative

Clyde Carpenter, Half-time Assistant in Field Services, at \$3,000 for academic year 1963-64 (replacing Mr. C. Wayne Hall)

Academic Personnel

Dr. Walter C. Hucul, age 41, as Visiting Assistant Professor of History (replacing Dr. Morse) at \$7,500 for academic year 1963-64
Mr. David S. Weekes, age 32, as Visiting Assistant Professor of English (replacing Mr. Dell), at \$7,500 contingent upon completion of 90 hours of graduate work before college begins in fall of 1963
Mr. Adrian P. Taylor, Jr., as reference librarian, replacing Mr. Hollman, at \$6,800 for eleven months as of September 3, 1963

Graduate Assistants and Fellows

Miss Dawn Nagy, Graduate Fellow, for winter and spring quarters in Division of Languages and Literature, at rate of \$1500 for academic year (\$1,000 salary)

Michael Macauley, Teaching Graduate Assistant for fall quarter (replacing Mr. Whitehill) in Division of HPERA, at a salary of \$1500 for the quarter, and as graduate assistant in same division for the winter and spring quarters at \$1,000 for the two quarters

Dining Hall (civil service)

Helen Holein, as Food Service Worker I, at \$224 per month as of July 1 (new position from hourly) plus meals

Bernadine Wottlin, Food Service Worker II, at \$244 per month plus meals, as of July 1 (new position from hourly)

May Coplen, Food Service Worker I, as of July 1 at \$224 per month plus meals (new position)

EXTENSION OF EMPLOYMENT

Extension of the employment of Mrs. Ruth Himes, Custodial Services Supervisor, to the age of seventy, the state compulsory retirement age

LEAVES OF ABSENCE

Dr. Robert N. Lass, Professor of English, extension of leave for the second year, 1963-64, to continue duty assignment with the Navy, w/o pay

Dr. Darrell P. Morse, Associate Professor of History, for the academic year 1963-64, w/o pay

Ramond M. Giles, Director of Placement, Extension and Correspondence, for two weeks active military duty, w/pay, August 11-25

TRAVEL

Mrs. Celia Allen, Associate Professor of Psychology, to attend International and National Psychology conference, Washington, D. C. and Philadelphia, August 16-September 5, \$145 toward transportation

Six students (Reece Kelly, Jim Nelsen, Larry Snyder, Margo Seidemann, Dave Smith, and Billie Niemeyer, to attend National Students Congress, Bloomington, Indiana, August 16-29, \$700 total (ASB funds)

Milton Haecox, to attend National Students Congress, Bloomington, Indiana, August 12-29, \$100 ASB funds

CHANGE ORDERS ON TAWANKA COMMONS

Mr. Albert Funk, architect for Tawanka Commons, presented a schedule of change orders approved to date and recommended Change Order G-4, encompassing the following six items:

1. For substitution of Pent House
Siding ----- Deduct \$428.00
 2. For furnishing and installing
Channel Frames for elevator
@ two door openings Add-----\$264.50
 3. For furnishing and installing
perimeter closing plates on
the steel decking Add ----- 125.27
 4. For steel rein. bar by job
order add----- 11.45
 5. For 448 sq. ft. of plyscord
sheating job ordered for the
saddles on the rood Add----- 112.46
 6. For 4 Mil "Visqueen Vapor
High Humidity Area Add----- 274.00
- | | |
|------------------------------|-----------|
| Net Addition ----- | \$ 359.68 |
| Sales Tax on Added Amount--- | 14.39 |
| Total Addition ----- | 374.07 |

It was moved by Mr. Voorhees, seconded by Mrs. Morrison, that Change Order G-4 with H. Halvorson, Inc., be approved. Motion carried.

After discussion of inclusion of additional equipment through change orders, it was moved by Mr. Smith, seconded by Mr. Voorhees, that the water softener be reinstated in the contract at the original bid of \$2,575.00. Motion carried.

It was moved by Mr. Smith, seconded by Mrs. Morrison, that the public address system be reinstated in the contract on the basis of Power City Electric quotation of \$4,127.00. Motion carried.

It was decided to defer action on the room divider and the portable refrigerator to a later date. It was also decided not to accept the change order to supply steam to the second floor garbage chute area.

Mr. Funk reported that he is preparing an estimate of costs to be assessed to each contractor and to the college for repairs to pavement on the driveway running from "D" to "F" streets. The cost will be prorated according to the amount of pavement cutting that each party has done.

July 23, 1963

The board discussed the date of completion of the Commons with Mr. Funk. He reported that Atlas Sheet Metal will be finished by September 9th. It was decided this was too close to the beginning of fall quarter to risk a September 15 opening and that the opening should be deferred to January, 1964. The contractors have until December 19, 1963, to complete their contract.

CHANGE ORDERS ON MEN'S DORMITORY

Mr. Carroll Martell, architect on the men's dormitory, recommended a change order involving changes in the shower room benches at an added cost of \$348.00, and the omission of gaskets between each floor slab and building core which are not required because of the close tolerances that were achieved in casting concrete, resulting in a deduction of \$385, for a net decrease of \$37.00. It was moved by Mr. Smith, seconded by Mr. Voorhees, that the change order be approved. Motion carried.

Mr. Martell reported that the progress on the dormitory is accelerating but that a shortage of tile setters may cause a delay. He also reported that the postponement of the water main extension project due to a legal question concerning funds might delay the completion of the dormitory. He said that that portion of the water main essential to the dormitory might be added to the dormitory mechanical contract as a change order at a cost of \$5,300.00. Mr. Martell will confer with HHFA to see if this is allowable and will report back to the administration.

LOCATION OF SUB STATION

Copies of Mr. Bruce Walker's letter of June 24, 1963, reporting on the location of the electrical substation, were distributed and discussed. It was decided that no action was required.

OPERATING BUDGET FOR 1963-65

After the last meeting of the board, the comptroller prepared a breakdown of the proposed budget showing credit hour costs for each division and office. After reviewing this report, it was moved by Mrs. Morrison and seconded by Mr. Smith that the 1963-65 operating budget be approved as submitted. Motion carried.

DELAY IN AWARDING OF CONTRACTS

Dr. Patterson reported that no new contracts may be awarded against the State Building Construction Account until after a Superior Court decision expected on August 28th. The following projects are delayed:

- a. New doors and minor alterations at library, lighting in Showalter, Sceva Construction Company, \$12,000
- b. Science Building site development - no bid yet
- c. PE field sprinkler system, extension of water lines, \$32,000
- d. Sub-station
- e. Fire safety-Sutton Hall, \$18,000, Rasque; Martin Hall, \$16,000, Kabush

Alterations to Showalter Hall, J. Kimball Bernard, and alterations to Martin Hall, Evanoff and Kabush, can now proceed to be paid from tuition monies.

Progress payments to Burk Electric and Warren, Little and Lund are being held up but it is anticipated that the treasurer will be able to borrow from other state funds to meet the monthly payments due on work already in progress.

APPOINTMENT OF SPECIAL ASSISTANT ATTORNEY GENERAL

Dr. Patterson read a letter from John O'Connell, Attorney General, recommending the appointment of Mr. Joseph Gagliardi as special assistant attorney general to handle the condemnation cases. The chairman requested Dr. Patterson to write to Mr. O'Connell suggesting that Mr. Gagliardi be appointed on the basis of the minimum fee schedule of the Spokane Bar Association.

INVESTMENT OF RESERVE FUNDS

The bond resolution of 1949 Dormitory Revenue Bonds requires that we maintain a reserve fund of \$40,000. In 1955 the Board authorized the purchase of \$40,000 in series G bonds of US Treasury. The bonds have been held in safe keeping by the Federal Reserve Bank of San Francisco. They matured July 1, 1963. They pay 2 1/2% interest. It was recommended by Dr. Patterson and Mr. Johns that these be reinvested in series H bonds. It was moved by Mr. Smith, seconded by Mr. Voorhees, that this be done. Motion carried.

It was also moved by Mr. Smith, seconded by Mr. Voorhees that the 1955 and 1958 Student Union Bond Issue reserve funds in series H bonds be held in trust by Old National Bank as required in the bond resolution. Motion carried.

CHANGE ORDERS ON UTILITIES PROJECT

Mr. Smith moved, seconded by Mr. Voorhees, that the following change orders on the utilities project be approved, and the motion carried.

July 23, 1963

Move 2300 volt feeder, Anderson Hall	Add \$19.40
Omit emergency steam supply, new men's dormitory	Deduct \$2,800

LIQUATED DAMAGES AGAINST METALAB

Dr. Patterson read a letter from Mr. Clyde Fenn, suggesting that the \$16,000 liquated damages withheld from Metalab, Inc., should be negotiated. The chairman read a letter that he had received from Ernest A. Jonson, a CPA in Seattle, reporting Metalab's request for an invitation to attend the August meeting of the board. The chairman instructed the secretary to invite Mr. Jonson to the next board meeting and to place this item on the agenda.

REAPPRAISAL OF COLLEGE BUILDINGS

Mr. Smith moved, seconded by Mrs. Morrison, that Mr. Jack Higgins' recommendation regarding reappraisal of college buildings be approved. Motion carried.

ENGINEER FOR CAMPUS PROJECTS

Mrs. Morrison moved and Mr. Voorhees seconded the motion that Mr. Clarence Simpson be appointed engineer for laying out the necessary plans and specifications for parking lot, street and side walk improvements and repairs on EWSC campus. Motion carried.

REQUEST FROM JOHN DAVIS, SECURITY OFFICER

Mr. Erickson reported that John Davis, security officer at the college, had been in his office to see him concerning the deactivation of the security officer position. Mr. Davis feels that he has rights under the Civil Service Act to another college position. After discussing the matter, it was decided that Mr. Davis's proper approach would be through the Personnel Committee and Mr. Erickson said he would so inform Mr. Davis.

LETTER FROM JFK ON DROPOUTS

Mr. Erickson read a letter from Mr. John F. Kennedy concerning the problem of student drop outs and requesting a report to the U. S. Commissioner of Education, Mr. Keppel. Mr. Erickson said he would write to Mr. Kennedy and report on the situation at Eastern.

INFORMATIONAL ITEMS

Dr. Patterson reported that the faculty and staff of EWSC had met 226 speaking engagements this past year as compared with 178 the year before.

Attention was called to the date of the Conference of the Association of Governing Boards which will be at University Park, Pennsylvania, on October 16, 1963.

Mr. Johns reported that the college had purchased US Treasury bills at a cost of \$98,452 on June 13, 1963, to mature at \$100,000 on December 12, 1963, with revenue of \$1,548. The amount of revenue earned to date for 1963 amounts to \$4,541.

The attached accident report was distributed to the board.

The sabbatical leave report by Mr. R. L. Hanrahan, Assistant Professor of Art, was given to the board.

The attached report on scholarship income was furnished the board members.

Mr. Johns reported on a conditional purchase agreement with IBM which gives us a 60% discount privilege in the event funds are available for a computer. He said we anticipate making application to the National Science Foundation for such equipment, which if granted would provide 50% of the cost which we would have to match. The total from the college would be about \$20,000.

Mr. Johns discussed the letter from the John Nuveen Company regarding outstanding bond redemption and noted that he would have a full report for the board next fall.

BOARD APPOINTMENTS

As nearly as we can tell from our records, the following data represent appointment dates of board members:

Mrs. Morrison

First term - appointed January 1957

Reappointed September 1962

Mr. Erickson - appointed July 1957

Mr. Voorhees - appointed November 1957

Mr. Smith - appointed July 1958

Mrs. Tanke - appointed August 1960

July 23, 1963

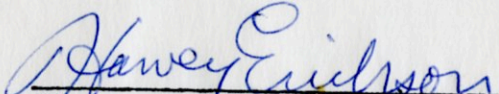
JOINT BOARD MEETING

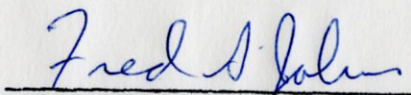
The board was reminded of the meeting of the joint board of the three college in Bellingham, July 27, 1963. The breakfast meeting is at 9:00 a.m. and the regular meeting at 10:00 a.m.

ADJOURNED

Mr. Voorhees moved that the meeting be adjourned at 9:50 p.m. and the motion was seconded by Mrs. Morrison. Carried.

APPROVED


Harvey Erickson, Chairman


Fred S. Johns, Secretary

Eastern Washington State College

Intra-College Memorandum

TO: Dr. Don S. Patterson, President

FROM: Fred S. Johns, Comptroller

DATE: July 23, 1963 RE: Reinvestment of reserve funds for
Student Union Bond Issue.

The Old National Bank in Spokane is the trustee for our 1955 and 1958 Student Union Bond Issues. The bond resolutions require reserve accounts of \$12,000 for the 1955 issue and \$11,000 for the 1958 issue. Dr. Force established savings accounts at the National Bank of Commerce in Deer Park, the Cheney Branch of the Seattle-First National Bank, and the Old National Bank to keep the required reserve funds.

The trust department of the Old National Bank has called to my attention a requirement in the bond resolution that the reserve funds be deposited with their bank.

I recommend that we close out the savings accounts at the other banks after the next interest date and transmit the \$23,000 to the trust department of the Old National Bank with instructions to invest them for us in Series H, U.S. Treasury Bonds and to send the semiannual interest to us for deposit in the Associated Student Activities Fund.

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(9E)

THE HIGGINS AGENCY *S. J. "Jack" Higgins*

HUTTON BLDG., SPOKANE, WASHINGTON

MA 4-3151

JULY 9, 1963

MR. FRED A. JOHNS - COMPTROLLER
EASTERN WASHINGTON STATE COLLEGE
CHENEY, WASHINGTON

DEAR MR. JOHNS:

SOMETIME AGO MR. D.V. ILER, AT MY REQUEST, CONTACTED H. LEONARD ANDERSON, A GENERAL CONTRACTOR, REGARDING AN APPRAISAL OF VALUES OF THE BUILDINGS ON THE CAMPUS. MR. ANDERSON'S PARTNER, CLAUDE HALL DID THE ORIGINAL ESTIMATES IN OCTOBER OF 1951.

ENCLOSED IS MR. ANDERSON'S REPLY.

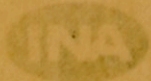
I BELIEVE THAT I SPOKE TO YOU OF THE ADVISABILITY OF PERIODIC APPRAISALS. WE ENDEAVOR TO KEEP THE VALUES AT THE PROPER LEVEL BUT OUR EFFORTS ARE JUST AN ESTIMATE AT BEST. AN APPRAISAL SUCH AS I SUGGEST MIGHT SERVE IN TWO WAYS. FIRST, IT WILL BE THE OPINION OF A PROFESSIONAL CONTRACTOR AND IN THE EVENT OF A LOSS OUR PROOF OF COMPLIANCE WITH THE CO-INSURANCE CLAUSE WOULD BE POSITIVE. SECONDLY, IT MIGHT ALLOW US TO REDUCE THE LINE (OR AMOUNT OF INSURANCE) IF WE FIND THAT WE ARE NOW CARRYING TOO MUCH AND HENCE A SAVING FOR THE COLLEGE. I FEEL QUITE CONFIDENT THAT IF ANYTHING WE ARE NOW COMPLYING COMPLETELY WITH THE CO-INSURANCE PROVISION AND SUCH AN APPRAISAL WOULD ONLY CONTINUE THE STATUS QUO - OR REDUCE THE AMOUNT OF INSURANCE.

IF YOU HAVE ANY QUESTIONS, PLEASE LET ME KNOW.

VERY TRULY YOURS,

S. J. HIGGINS

AP



INSURANCE BY NORTH AMERICA

Insurance Company of North America
Life Insurance Company of North America



H. LEONARD ANDERSON
GENERAL CONTRACTOR

Feb. 15, 1963

104 WEST 22ND AVENUE
SPOKANE 41, WASHINGTON

PHONE: MA. 4-8382

Phoenix of Hartford
201 Sherwood Bldg.
Spokane, Wash.

Attention: Mr. Douglas V. Iler

Gentlemen:

Subject: Appraisal of Eastern Wash. College
of Education

My estimate of a fee for a site-inspection of the Class C-and D-type buildings, bringing the appraisal up to date and adding the new buildings since October of 1951 is \$200.00.

Three copies of the appraisal will be furnished.

The addition of the new buildings would be using the actual construction figures furnished by the owner.

Sincerely yours,

H. LEONARD ANDERSON, GENERAL
CONTRACTOR

HLA : nba

John Nuveen & Co.

Established 1898 • Incorporated 1953

1411 4TH AVENUE BUILDING, SEATTLE 1, WASHINGTON

TELEPHONE MAIN 4-0585

(Area Code 206 for Long Distance Dialing)

OUR 63rd YEAR

July 9, 1963

Mr. Fred S. Johns, Comptroller
Eastern Washington State College
Cheney, Washington

Dear Mr. Johns:

The bond market has declined moderately from the second week in March to the present time except for a couple of weeks around the middle of May. For this reason, I haven't been in contact with you. However, since the next call date on your 1949 bonds comes up on September 1, I thought I should communicate my thoughts to you with regard to the proposed refunding of your 1949 and 1956 issues.

My study of your situation leads me to the conclusion that there is another, and less costly, solution to your problem. I think it merits serious consideration on your part. The following paragraphs summarize the two solutions as I see them.

1. Refunding Plan

On September 1 you will redeem \$26,000,000 of your 1949 issue maturing on that date. You will also call about \$13,000 from the balloon maturity of the same issue. This should leave you with an outstanding balance of \$274,000 bonds in that issue. You have, according to my figures, \$145,000 bonds outstanding in your 1956 issue. That issue is callable on 4-1-66 at par.

To effect a refunding of the 1949 issue, and an advance refunding of the 1956, issue you would have to sell a refunding issue of \$435,000 bonds. The proceeds from the sale of the refunding bonds must then be deposited in the two bond redemption funds to completely satisfy the cash requirements of the two issues thereby, in effect, discharging the bond resolutions. The two reserve funds (\$40,000 and \$13,500) would be transferred to the new refunding bond issue and thereby eliminate the necessity of reaccumulating a new reserve.

The amount of the refunding issue is computed as follows:

Principal of 1949 issue	\$274,000.00
Principal of 1956 issue	145,000.00
Call premium on 1949 issue	2,740.00

July 9, 1963

Interest to call date on 1956 issue from

10-1-63 to 4-1-64	\$2,718.75	
4-1-64 to 10-1-64	2,606.25	
10-1-64 to 4-1-65	2,606.25	
4-1-65 to 10-1-65	2,475.00	
10-1-65 to 4-1-66	<u>2,475.00</u>	<u>12,881.25</u>

Total required	\$434,621.25
Amount of refunding issue	\$435,000.00

If the refunding issue is set up to maintain annual debt service requirements at the present level of payments as now stipulated in the bond resolutions, the maturity schedule would be:

<u>Due 9-1</u>	<u>Principal</u>	<u>Interest*</u>	<u>Total</u>
1964	\$ 45M	\$14,138	\$ 59,138
1965	50M	12,675	62,675
1966	50M	11,050	61,050
1967	55M	9,425	64,425
1968	55M	7,638	62,638
1969	60M	5,850	65,850
1970	60M	3,990	63,900
1971	<u>60M</u>	<u>1,950</u>	<u>61,950</u>
Totals	\$435M	\$66,625	\$501,625

*Assumed interest rate of $3\frac{1}{4}\%$

Because this issue is short (8 years), I don't think a call feature could be included to permit redemption of any bonds prior to their scheduled maturity.

The refunding bonds would be secured by a prior lien on the revenues of the housing system as it exists, but the pledge would exclude facilities under construction on those hereafter constructed.

The total cost to the college of this refunding plan would be \$501,625 provided the new bonds could be sold at par with a $3\frac{1}{4}\%$ coupon. The purchaser is assumed to pay the cost of legal proceedings and bond printing.

2. Alternate Solution

In your letter of April 29 you included revised figures showing the balance available for debt service for the fiscal year ended 8-31-62. This total was \$151,799. The alternate solution involves the application of the full

July 9, 1963

amount of your net operating revenue to the retirement of your 1949 and 1956 issues.

This seems to me to be possible when you consider that your new facilities now being completed should generate \$28,000 of net revenue which will flow to your existing 1949 and 1956 issues. In other words, this sum has not been pledged to the payment of the \$3,062,000 issue authorized in your H & HFA loan agreement. This sum is not being used in the alternate plan I am now proposing and would be available for capital purposes.

Table 1 illustrates the accelerated retirement of your 1949 and 1956 issues. If that schedule is followed all of the bonds can be paid off not later than 10-1-66. This means that your existing housing system revenue would become completely unencumbered five years earlier than would be the case if a refunding issue was marketed.

In addition, the college would save approximately \$50,000 in the process.

Your first reaction may be that you cannot use all of the net revenue for debt service because of renewals and replacements on other capital requirements. Or, it is possible that the net revenue from the existing system may decline with the opening of the new facilities. On the other hand, you may be able to budget your funds in such a way that you can overcome foregoing problems if they exist.

I have discussed this alternate solution with Mr. Lothrop. His reaction was favorable and he believes that future H & HFA loan agreements could be tailored to fit your requirements even though you are unable to retire all of the bonds by 10-1-66.

With this idea as a basis for study, I hope you can arrive at a finished solution. At this point the short call you have on your outstanding bonds is valuable to you and you should not give it up by a refunding operation unless there is absolutely no alternative.

If you wish to discuss any of the points contained in this letter, please give me a call.

Sincerely yours,

JOHN NUVEEN & CO. (INC.)

James G. Frazer
Regional Manager

JGF:ybc
Enclosure
cc: Mr. Lothrop

TABLE 1

ACCELERATED BOND RETIREMENT THRU UTILIZATION OF TOTAL NET REVENUE AVAILABLE FOR D/S

(1) Year Ending 8-31	(2) Net Rev Avail For D/S	(3) 1949 Issue Princ. Interest	(4) 1956 Issue	(5) Total D/S	(6) Balance	(7) Reserve 1949	(8) Reserve 1956	(9) Avail for Calling	(10) Bonds Called	(11) Bonds D/S 1956		
1964	150,000	26,000	8,220	6,000	5,438	45,658	104,342	40,000	13,500	104,342	103M	145M
1965	150,000	28,000	5,130	7,000	5,213	45,343	104,657	-0-	13,500	144,657	143M	139M
1966	150,000	-	-	7,000	4,950	11,950	138,050	-0-	-0-	151,550	125M	132M
			13,350		15,601							-0-

Explanation

- Col. (3) Principal due on 10-1 of each year
 Col. (4) Interest payable on 3-1 and 9-1 of each year
 Col. (5) Principal due on 4-1 of each year
 Col. (6) Interest due on 10-1 of preceding calendar year and 4-1 of year shown
 Note: This issue would logically be called to extent possible on 4-1-66 with balance being called 10-1-66. Therefore the total interest of \$15,601 may be slightly low.
 Col. (7) Total of columns 3 and 6.
 Col. (8) Column 2 - Column 7
 Col. (9) Reserve for 1949 issue applied against last bonds
 Col. (10) Reserve for 1956 issue applied against last bonds
 Col. (11) Column 8 plus columns 9 and 10 when applicable

9Ba

Eastern Washington State College
Intra-College Memorandum

TO: Dr. Don S. Patterson, President

FROM: Fred S. Johns, Comptroller *Fred S. Johns*

DATE: July 22, 1963

RE: Reinvestment of reserve bonds.

The bond resolution for the 1949 Dormitory Revenue Bonds requires that we maintain a reserve fund of \$40,000.00. In 1955, the Board of Trustees authorized the purchase of \$40,000.00 in Series G bonds of the U.S. Treasury. These bonds, which have been held in safe keeping by the Federal Reserve Bank in San Francisco, matured on July 1, 1963. They have been paying 2 1/2 percent interest.

I recommend that the \$40,000.00 be reinvested in Series H bonds. The features of the Series H bonds are as follows:

- a. Price - Par.
- b. Dated first day of month in which payment is received by a Federal Reserve bank or branch or the Treasury. This means that if we reinvest this week, we will not lose any interest.
- c. Mature 10 years from issue date.
- d. Yield - Pays current income by semiannual interest check to provide an increasing investment yield the longer the bond is held; a bond held to maturity will yield an average of 3 3/4 percent per annum.
- e. Redeemable at par any time after 6 months from issue date on 1 month's written notice.

It is further recommended that the Series H bonds be deposited with the Federal Reserve Bank in San Francisco for safe keeping.

b1

July 19, 1963

E.W.S.C. - Cheney, Washington

CONSTRUCTION PROJECTS COORDINATION MEETING

MEN'S RESIDENCE HALL & DINING FACILITY

<u>Present</u>	<u>Representing</u>	<u>Job</u>
Fred S. Johns (Presiding)	E.W.S.C.	
Marion Surbeck	E.W.S.C.	
Wayne Loomis	E.W.S.C.	
Albert Funk	Architect	Food Center
Carroll Martell (Secretary)	Architect	Men's Res. Hall
R. E. Peck	Architect	Food Center & Men's Residence Hall
Jack Reeves	Engineer	Utilities
Lewis Haney	General Contractor	Men's Res. Hall
John Habbestad	"	"
Wally Olson	"	"
Lyle Roberts	"	Food Center
Dale Conboy	Mech. Contractor	Food Center
Dan Little	"	Men's Res. Hall.

DINING FACILITY & FOOD CENTER

Funk reported job progressing well. Atlas Sheet Metal Co. expects to complete job by September 1. This will allow 2 weeks for testing. Atlas Sheet Metal Co. has been advised that College expects to use facility on September 15. Surbeck pointed out that College must have a realistic date so that College can provide for the people who must be fed.

Arrangements for final inspection was discussed. General Contractor expects to be ready for final inspection in 2 weeks (about August 1). Mechanical Contractor expects to be ready for final inspection in about 2 weeks. Electrical contractor not represented at meeting, however comment was made that electrical contractor could probably be ready for final inspection in about 2 weeks.

MEN'S RESIDENCE HALL

Martell reported progress good, however General Contractor is experiencing difficulty in obtaining skilled labor. There is a shortage of lathers, plasterers, and tile setters in this area. At present there are 17 men in the plastering crew (6 plasterers) The General Contractor expects to get more lathers and plasterers. The tile contractor expects to increase his crew next week.

It was pointed out the Water Utilities Contract is being held up because of the withholding of State funds pending court decision. The General Contractor has scheduled the paving of the street in about 30 days. Since this street contains water lines yet to be installed there may be a conflict between paving under this contract and the installation of water mains under the proposed contract. Architect to investigate possibility of including water lines in Dormitory Mechanical Contract.

MEN'S RESIDENCE HALL (continued)

Electrical service connection reported as completed. Telephone company is installing telephone equipment in the telephone equipment room. Painters to move in next week.

Sample student room being installed. General Contractor expects to meet scheduled completion date. Architect to provide General Contractor with drapery track schedule.

UTILITIES

Reeves reported water main project held up by fund withholding. No one in position to speculate as to when the funds might be released. Steam utility contract reported 99% complete.

Next meeting -- 9 A.M., Thursday, August 22, 1963.

11-2
Mrs. Will - to be placed
in the election process
see one - the full

Eastern Washington College of Education

INTRA-COLLEGE MEMORANDUM

TO: Dr. Patterson

FROM: Daryl Haggie, Dean of Students

DATE: June 20, 1963

RE: Accident Report 1962-63

<u>TYPE OF ACTIVITY</u>	<u>Fall</u>	<u>Winter</u>	<u>Spring</u>
P.E. Activity Classes (except gymnastics)	14	16	11
Gymnastics and Tumbling PE classes	0	6	4
Gymnastic practice sessions	2	1	1
Intramurals	9	11	2
In dorms and other campus buildings	14	11	10
J.V. and varsity sports practice	5	4	2
In classes	10	1	7
Miscellaneous*	<u>12</u>	<u>7</u>	<u>7</u>
TOTAL	66	57	44

*The miscellaneous category includes those accidents occurring between classes, outside of campus buildings and so forth.

The accidents this year totaled 157 as compared to a total of 158 for last year. There are no significant changes from last year in terms of kinds of accidents and where they happened. With an increased number of students, this represents progress in accident prevention.

ch

Eastern Washington College of Education

INTRA-COLLEGE MEMORANDUM

TO: Dr. Patterson

FROM: Daryl Magie, Dean of Students.

DATE: July 1, 1963

RE: Scholarship Report 1962-63

*Is info for
next Bd meeting
to go along with
the agenda.
Present with guide
for awarding
scholarships &
grants in aid*

SCHOLARSHIPS FROM INCOME PRODUCING ACTIVITIES OF STUDENT GOVERNMENT

	<u>AWARDS</u>	<u>AMOUNT</u>
Associated Student Body Scholarships	35	\$8840.00
Max Calhoun	1	\$220.00
ASB Foreign Student	2	\$400.00
Graham Dressler Leadership	1	\$220.00
TOTAL	39	\$9680.00

SCHOLARSHIPS FROM CAMPUS ORGANIZATIONS

Phi Beta Lambda	3	\$200.00
AWS Working Girl	1	\$ 50.00
IMC	1	\$ 73.00
Veterans Club	1	\$ 65.90
Louise Anderson Hall International Student	1	\$400.00
Scarlet Arrow	1	\$150.00
TOTAL	8	\$988.90

SCHOLARSHIPS FROM INDUSTRY

Potlatch Forests	4	\$1000.00
Northwest Metal Workers Union	1	\$ 250.00
RenaWare Distributors	1	\$ 300.00
Vermiculite Contractors Inc.	1	\$ 80.00
The Boeing Company	2	\$ 600.00
The Orbit Inc.	1	\$ 100.00
Crown Zellerbach	1	\$ 500.00
TOTAL	11	\$2830.00

SCHOLARSHIPS FROM INDIVIDUALS AND MEMORIAL SCHOLARSHIPS

George Rasque	4	\$ 500.00
Woodeville Hagelin Memorial	1	\$ 200.00
Mr. & Mrs. H. B. Kingsbury Scholarship	1	\$ 200.00
Diane Wynia Memorial	1	\$ 150.00
Graham Dressler Memorial	1	\$ 150.00
E. L. Boone Foundation	4	\$ 734.00
Carrie Drewry Miller (Frazee, Minnesota)	2	\$ 206.00
General Henry Arnold Educational Fund (Air Force)	1	\$ 200.00
Ren H. Rice Foundation	8	\$5815.00
N. D. Showalter Memorial	1	\$ 190.25
Lt. Col. Erwin Williams	1	\$ 40.00
TOTAL	25	\$8385.25

SCHOLARSHIPS FROM OFF-CAMPUS ORGANIZATIONS

	<u>AWARDS</u>	<u>AMOUNT</u>
Spokane Tribal Council	3	\$1250.00
Washington Congress Parents and Teachers Assoc.	15	\$2432.60
EWSC Alumni Association	12	\$2409.00
EWSC Chapter University Dames Club	1	\$ 73.00
Garberville, California, Civic Club	1	\$ 100.00
Quincy High School F.T.A.	1	\$ 100.00
St. John Education Association	2	\$ 200.00
Washtucna PTA	1	\$ 100.00
Spokane Exchange Club	1	\$ 200.00
Delta Kappa Gamma	1	\$ 100.00
Carnation Company - Elbridge A. Stuart	1	\$ 850.00
Washington Federation of Music Clubs	1	\$ 50.00
Curlew PTA	1	\$ 100.00
Beta Sigma Phi	1	\$ 150.00
Okanogan Kiwanis Club	1	\$ 100.00
Nez Perce Tribal Council	1	\$ 250.00
Kettle Falls PTA	1	\$ 100.00
Kellogg, Idaho, F.T.A.	1	\$ 100.00
Colville Tribal Council	4	\$3000.00
US Dept. of Interior, Indian Affairs	3	\$ 690.00
Washington Education Association	1	\$ 100.00
Lind, Washington, PTA	1	\$ 100.00
Eastern Star	2	\$ 300.00
Spokane Valley Lions Club	1	\$ 500.00
Chapter AX, PEO, Colville	1	\$ 50.00
Spokane County Council of Homemakers Clubs	1	\$ 100.00
Mead F.T.A.	1	\$ 75.00
National Secretaries Association	1	\$ 150.00
Auxiliary of GAR	1	\$ 100.00
Cusick WLA	1	\$ 78.00
Tawanka Alumni	1	\$ 50.00
Colfax West Whitman Branch AAUW	1	\$ 100.00
Bunker Hill Chapter #28 Order of Eastern Star	1	\$ 300.00
Kingston-Pinehurst, Idaho, PTA	1	\$ 100.00
Freeman, Washington, PTA	1	\$ 100.00
Spokane County Chap. of Wash. Assoc for Retarded Children	1	\$ 72.00
TOTAL	70	\$14,808.60

COMPARISON WITH SCHOLARSHIPS GRANTED IN 1961-62

		<u>1962-63</u>		<u>1961-62</u>
Off-campus Organizations	70	\$14,808.60	52	\$10,221.68
Individuals and Memorials	25	\$ 8,385.75	23	\$ 6,889.50
Industry	11	\$ 2,830.00	12	\$ 2,575.00
Associated Student Body	39	\$ 9,680.00	45	\$ 9,762.25
Campus Organizations	8	\$ 988.90	4	\$ 799.99
	153	\$36,692.75	136	\$30,248.42

June 24, 1963

Mr. Fred Johns
Eastern Washington State College
Cheney, Washington

Dear Fred:

I have discussed the location of the proposed electrical substation with Jack Reeves and can readily understand, for the available funds, the present location is the reasonable choice. However, if additional funds of \$50,000 to \$60,000 could be obtained for this work, it could be located across Washington to the northwest. It would seem that this would be a preferred location and would coordinate well with the long range plan.

Mr. Reeves agrees with me on this point. The additional funds would be required for extending the sub-surface lines to this location. If it was built at the presently selected site then later moved, the loss would amount to approximately \$7,500. If it were not for the additional funds required, I would strongly urge that this substation be moved to the above proposed site.

I would like to also point out that with the adoption of the long range development plan Mr. Reeves and our office should coordinate our efforts to provide a long range utilities plan in the near future.

Very truly yours,

WALKER & MCGOUGH, ARCHITECTS

Bruce M. Walker, AIA

BMW:Q

John Naveen & Co.

Established 1898 • Incorporated 1953

1411 4TH AVENUE BUILDING, SEATTLE 1, WASHINGTON

TELEPHONE MAIN 4-0585
(Area Code 206 for Long Distance Dialing)

July 9, 1963

Mr. Fred S. Johns, Comptroller
Eastern Washington State College
Cheney, Washington

Dear Mr. Johns:

The bond market has declined moderately from the second week in March to the present time except for a couple of weeks around the middle of May. For this reason, I haven't been in contact with you. However, since the next call date on your 1949 bonds comes up on September 1, I thought I should communicate my thoughts to you with regard to the proposed refunding of your 1949 and 1956 issues.

My study of your situation leads me to the conclusion that there is another, and less costly, solution to your problem. I think it merits serious consideration on your part. The following paragraphs summarize the two solutions as I see them.

1. Refunding Plan

On September 1 you will redeem \$26,000,000 of your 1949 issue maturing on that date. You will also call about \$13,000 from the balloon maturity of the same issue. This should leave you with an outstanding balance of \$274,000 bonds in that issue. You have, according to my figures, \$145,000 bonds outstanding in your 1956 issue. That issue is callable on 4-1-66 at par.

To effect a refunding of the 1949 issue, and an advance refunding of the 1956, issue you would have to sell a refunding issue of \$435,000 bonds. The proceeds from the sale of the refunding bonds must then be deposited in the two bond redemption funds to completely satisfy the cash requirements of the two issues thereby, in effect, discharging the bond resolutions. The two reserve funds (\$40,000 and \$13,500) would be transferred to the new refunding bond issue and thereby eliminate the necessity of reaccumulating a new reserve.

The amount of the refunding issue is computed as follows:

Principal of 1949 issue	\$274,000.00
Principal of 1956 issue	145,000.00
Call premium on 1949 issue	2,740.00

CHICAGO

TAX-EXEMPT PUBLIC BONDS SINCE 1898

NEW YORK

ATLANTA • BOSTON • COLUMBUS • DETROIT • LOS ANGELES • MIAMI • OMAHA • PHILADELPHIA • SEATTLE • ST. PAUL

July 9, 1963

Interest to call date on 1956 issue from

10-1-63 to 4-1-64	\$2,718.75	
4-1-64 to 10-1-64	2,606.25	
10-1-64 to 4-1-65	2,606.25	
4-1-65 to 10-1-65	2,475.00	
10-1-65 to 4-1-66	<u>2,475.00</u>	<u>12,881.25</u>

Total required	\$434,621.25
Amount of refunding issue	\$435,000.00

If the refunding issue is set up to maintain annual debt service requirements at the present level of payments as now stipulated in the bond resolutions, the maturity schedule would be:

<u>Due 9-1</u>	<u>Principal</u>	<u>Interest*</u>	<u>Total</u>
1964	\$ 45M	\$14,138	\$ 59,138
1965	50M	12,675	62,675
1966	50M	11,050	61,050
1967	55M	9,425	64,425
1968	55M	7,638	62,638
1969	60M	5,850	65,850
1970	60M	339,900	63,900
1971	<u>60M</u>	<u>1,950</u>	<u>61,950</u>
Totals	\$435M	\$66,625	\$501,625

*Assumed interest rate of $3\frac{1}{4}\%$

Because this issue is short (8 years), I don't think a call feature could be included to permit redemption of any bonds prior to their scheduled maturity.

The refunding bonds would be secured by a prior lien on the revenues of the housing system as it exists, but the pledge would exclude facilities under construction on those hereafter constructed.

The total cost to the college of this refunding plan would be \$501,625 provided the new bonds could be sold at par with a $3\frac{1}{4}\%$ coupon. The purchaser is assumed to pay the cost of legal proceedings and bond printing.

2. Alternate Solution

In your letter of April 29 you included revised figures showing the balance available for debt service for the fiscal year ended 8-31-62. This total was \$151,799. The alternate solution involves the application of the full

July 9, 1963

amount of your net operating revenue to the retirement of your 1949 and 1956 issues.

This seems to me to be possible when you consider that your new facilities now being completed should generate \$28,000 of net revenue which will flow to your existing 1949 and 1956 issues. In other words, this sum has not been pledged to the payment of the \$3,062,000 issue authorized in your H & HFA loan agreement. This sum is not being used in the alternate plan I am now proposing and would be available for capital purposes.

Table 1 illustrates the accelerated retirement of your 1949 and 1956 issues. If that schedule is followed all of the bonds can be paid off not later than 10-1-66. This means that your existing housing system revenue would become completely unencumbered five years earlier than would be the case if a refunding issue was marketed.

In addition, the college would save approximately \$50,000 in the process.

Your first reaction may be that you cannot use all of the net revenue for debt service because of renewals and replacements on other capital requirements. Or, it is possible that the net revenue from the existing system may decline with the opening of the new facilities. On the other hand, you may be able to budget your funds in such a way that you can overcome foregoing problems if they exist.

I have discussed this alternate solution with Mr. Lothrop. His reaction was favorable and he believes that future H & HFA loan agreements could be tailored to fit your requirements even though you are unable to retire all of the bonds by 10-1-66.

With this idea as a basis for study, I hope you can arrive at a finished solution. At this point the short call you have on your outstanding bonds is valuable to you and you should not give it up by a refunding operation unless there is absolutely no alternative.

If you wish to discuss any of the points contained in this letter, please give me a call.

Sincerely yours,

JOHN NUVEEN & CO. (INC.)

James G. Frazer
Regional Manager

JGF:ymbc
Enclosure
cc: Mr. Lothrop

TABLE I

ACCELERATED BOND RETIREMENT THRU UTILIZATION OF TOTAL NET REVENUE AVAILABLE FOR D/S

(1) Year Ending 8-31	(2) Net Rev Avail For D/S	(3) D/S Princ.	(4) 1949 Issue Interest	(5) 1956	(6) Issue	(7) Total D/S	(8) Balance	(9) Reserve 1949	(10) Reserve 1956	(11) Avail for Calling	(12) Bonds Called	(13) Bonds D/S 1949	(14) Bonds D/S 1956
1964	150,000	26,000	8,220	6,000	5,438	45,658	104,342	40,000	13,500			274M	145M
1965	150,000	28,000	5,130	7,000	5,213	45,343	104,657	40,000	13,500	104,342	103M	171M	139M
1966	150,000	-	-	7,000	4,950	11,950	138,050	-0-	13,500	144,657	143M	-0-	132M
								-0-	-0-	151,550	125M	-0-	-0-
			13,350		15,601								

Explanation

- Col. (3) Principal due on 9-1 each year
 Col. (4) Interest payable on 3-1 and 9-1 of each year
 Col. (5) Principal due on 4-1 of each year
 Col. (6) Interest due on 10-1 of preceeding calendar year and 4-1 of year shown
 Note: This issue would logically be called to extent possible on 4-1-66 with balance being called 10-1-66. Therefore the total interest of \$15,601 may be slightly low.
 Col. (7) Total of columns 3, 4, 5 and 6.
 Col. (8) Column 2 - Column 7
 Col. (9) Reserve for 1949 issue applied against last bonds
 Col. (10) Reserve for 1956 issue applied against last bonds
 Col. (11) Column 8 plus columns 9 and 10 when applicable